



Powering
KISSIMMEE FOR
YEARS!



STATE OF KUA **2025**
ANNUAL REPORT

Our Core Purpose

To **enrich the quality of life** for our customers and the community.



Our Mission

To provide reliable and economical services to our customers while partnering with the community and the environment.



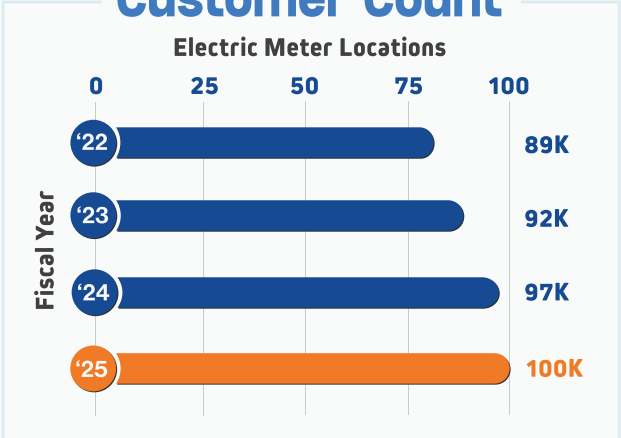
Our Vision

To be the right utility, providing the right services, at the right time.

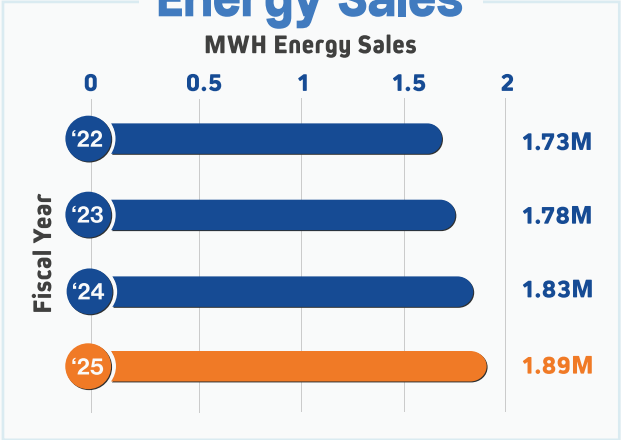


About Us

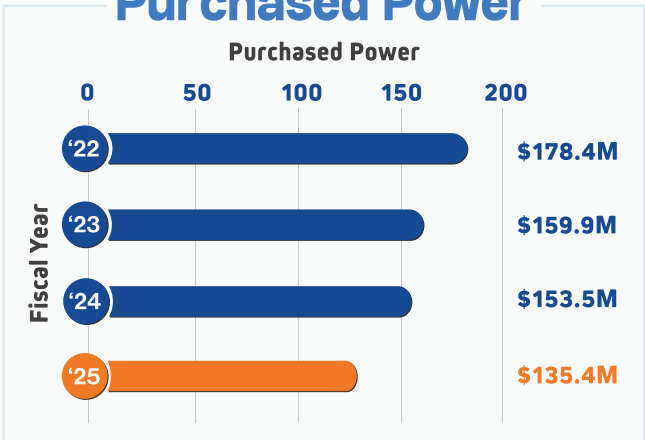
Customer Count



Energy Sales



Purchased Power

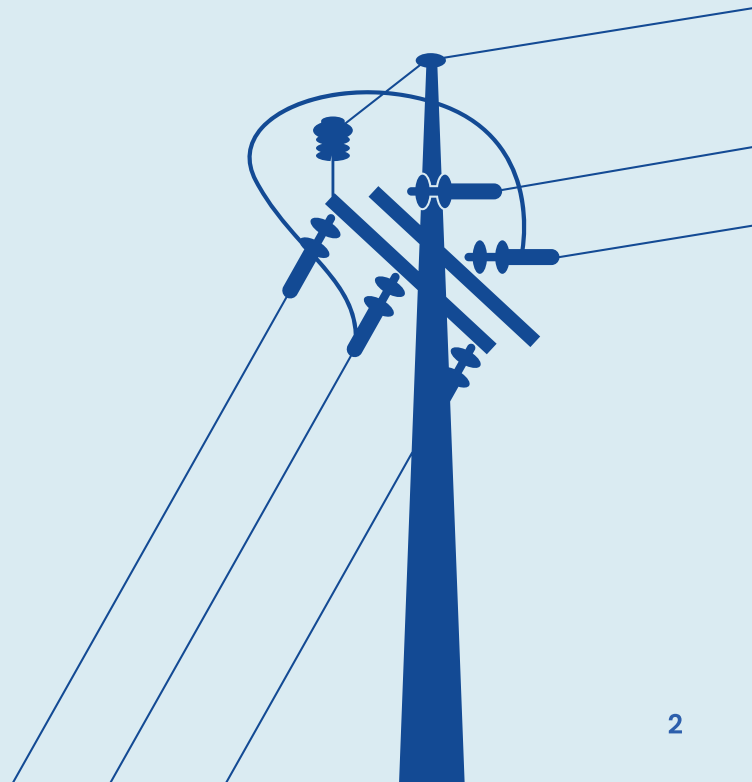


Transmission

Total Overhead **73.26 miles**
 Total Underground **0.04 miles**

Distribution

Total Overhead **332.95 miles**
 Total Underground **843.31 miles**



Message From The CEO

With a strong foundation and a clear path forward, KUA continues to evolve to serve a larger, more vibrant community while delivering the reliability and value our customers expect. As we celebrate 125 years of municipally- owned electric service in Kissimmee, our commitment to serve our customers is reflected in our continued focus on performance and service. Operational performance in 2025 remained strong. KUA continued to maintain some of the lowest reliability metrics nationwide, earning recognition within the state and nationwide.

Our average outage duration reached a low of 18 minutes on a 12-month rolling basis, a reflection of proactive system planning and continuous improvement. Our commitment to safety was equally strong, as KUA proudly received the APPA and FMEA

Diamond Level Safety Award, demonstrating our culture of accountability and care for one another.

Significant progress was made through system hardening and reliability initiatives. Our Reliability Committee worked in close partnership with the AMI Division to advance the Preemptive Transformer Replacement Program. The program identified and replaced overloaded and aging transformers before issues could arise, continuing to strengthen system resilience and protect long-term reliability for our customers.

Major infrastructure investments also advanced in 2025, with the Van Meter Substation positioned to enter the construction phase in June 2026. The \$14 million substation will ensure dependable service for KUA customers within a 9-square-mile area, and will have the capacity to deliver up to 88 megawatts once completed. In addition, KUA successfully completed a SERC audit with outstanding results, reinforcing our strong operational readiness and regulatory compliance.



“Our commitment to safety was equally strong, as KUA proudly received the APPA and FMEA Diamond Level Safety Award, demonstrating our culture of accountability and care for one another.”

At Cane Island, operational excellence remained the standard. Our generating units led the fleet in availability, producing enough energy to serve more than 65% of the FMPA All-Requirements Project (ARP) member load. The facility surpassed three years without a safety incident and operated throughout the year with zero compliance violations, serving as a regional benchmark for safe and reliable generation. Several unit reliability projects were also executed to ensure continued performance well into the future.

Enhancing the customer experience and maintaining strong financial performance remained top priorities in 2025. KUA launched E-FlexPay, providing customers with greater flexibility and control over their electricity payments. This effort required extensive collaboration across several departments and hundreds of hours of development and testing. Since its launch, enrollment has steadily grown, reflecting strong customer interest and engagement.

This year marked a significant milestone for KUA as our success was recognized on a national stage. We were honored to receive the American Public Power Association's highest distinction—the Scattergood System Achievement Award. As one of the most prestigious awards in public power, it reflects decades of disciplined planning, operational excellence, and a committed focus on customer service. It also affirms KUA's position as a model utility within the industry.

“Our generating units led the fleet in availability, producing enough energy to serve more than 65% of the FMPA All-Requirements Project (ARP) member load.”

None of these accomplishments would be possible without the dedication of our employees. Their professionalism, innovation, and commitment to excellence continue to define KUA's success. Whether responding to operational challenges, advancing major projects, or enhancing the customer experience, our team consistently delivers—regardless of circumstance.

Looking ahead, the utility industry faces a dynamic and evolving landscape. I am extremely optimistic about KUA's future and confident in our ability to meet the growing needs of our community for decades to come. I would like to thank our customers, employees, and Board of Directors for their continued trust and support. Together, we will build upon KUA's strong legacy and ensure a brighter, more resilient future for our community.

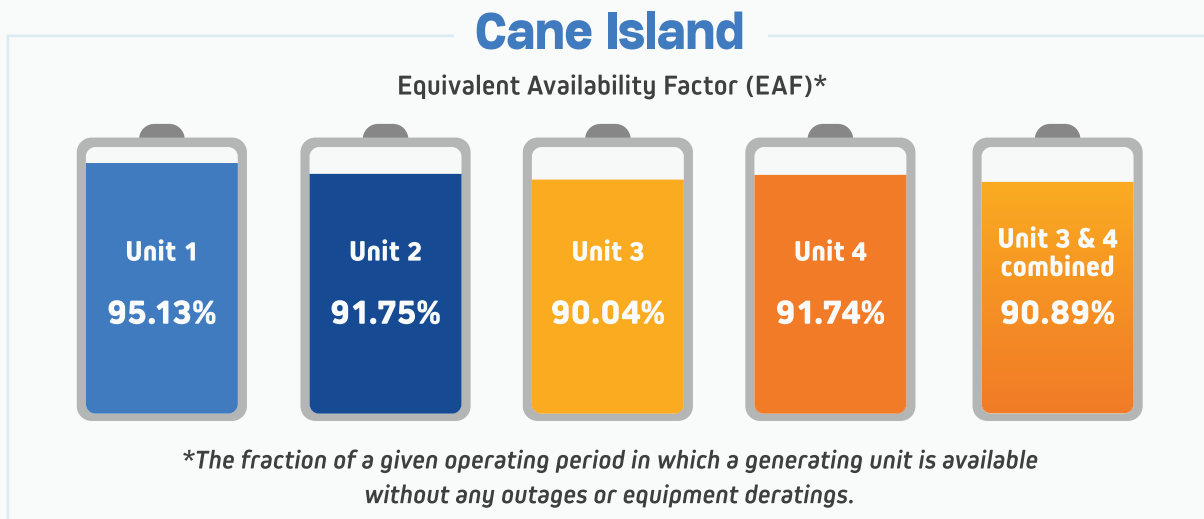
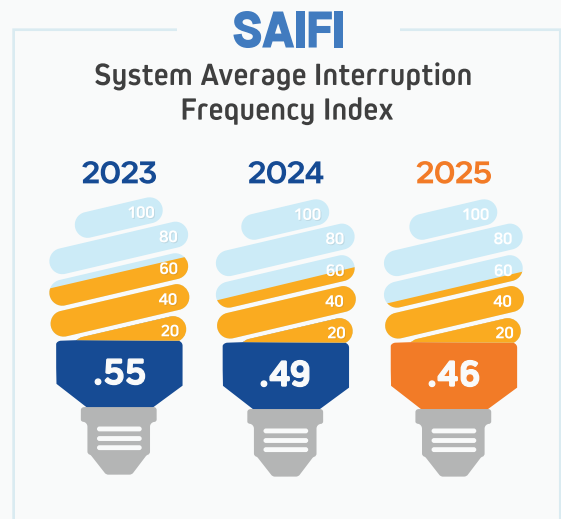
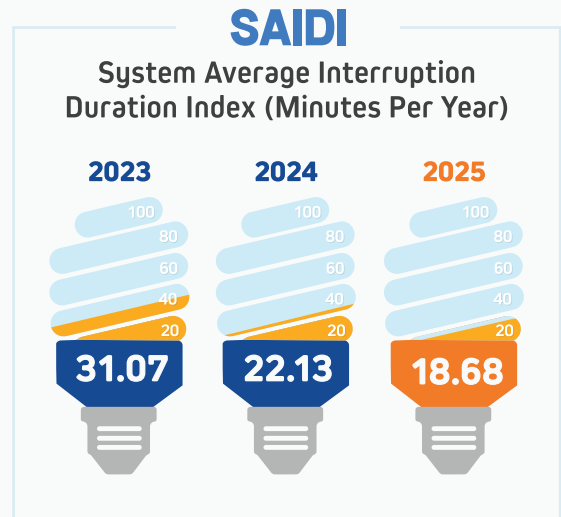
Brian Horton

Brian Horton
President & General Manager

Reliability

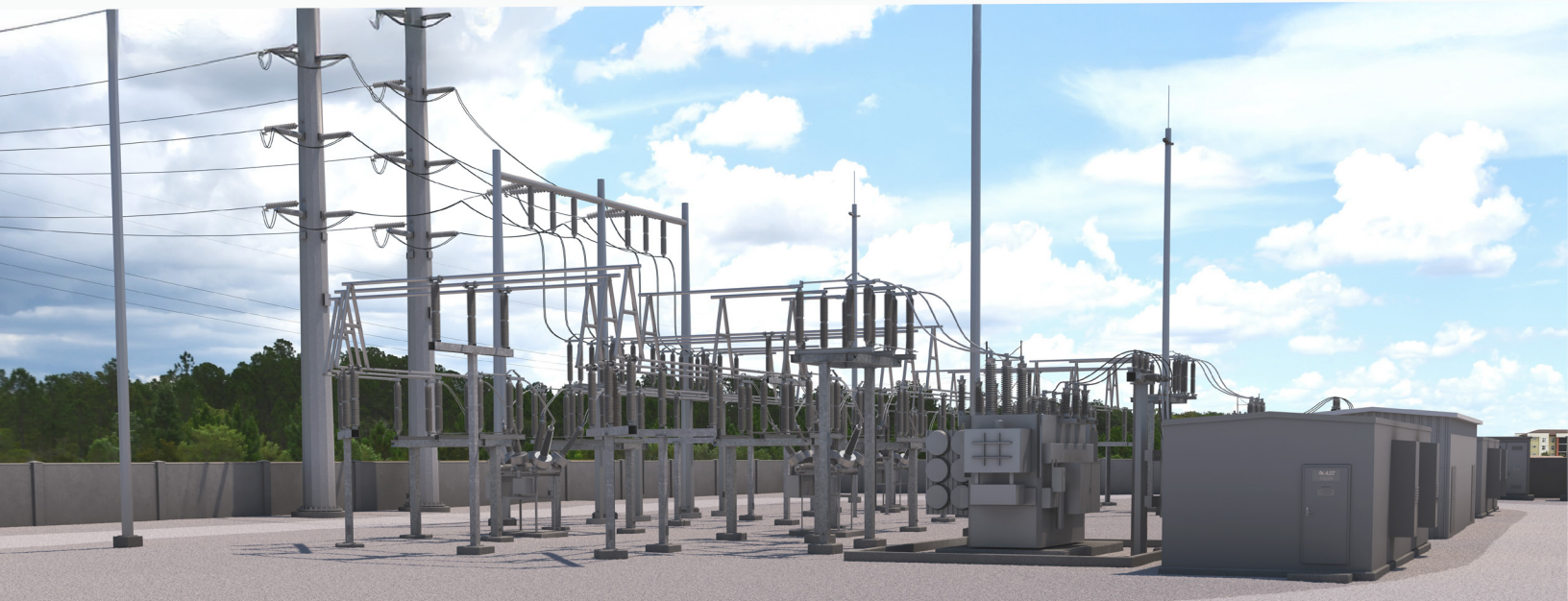
KUA continued to rank among the most reliable electric utilities in the nation, earning recognition from both the American Public Power Association (APPA) and the Florida Municipal Power Agency (FMPA). The utility's 12-month rolling average outage duration remained significantly below the industry benchmark, at just 18 minutes.

At our Cane Island Power Plant, the generating units led the fleet in availability, producing enough energy to serve more than 65 percent of the ARP member load. The team also surpassed three consecutive years without a safety incident and operated the facility with zero compliance violations. Throughout the year, the Power Supply team executed multiple capital and maintenance projects focused on improving unit reliability and extending the long-term operational life of the plant.



Infrastructure Investment

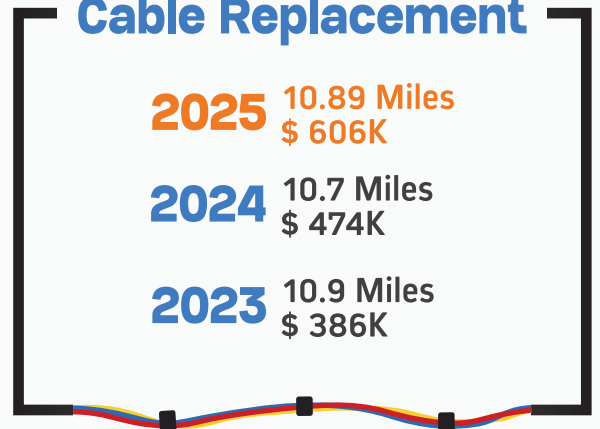
The utility’s Van Meter Substation located on N. Poinciana Blvd is expected to deliver up to 88 megawatts upon completion. This \$14 million substation will reliably serve KUA customers in a nine square mile area. Major equipment has been ordered, required permits have been obtained from the county, and final design activities are nearing completion, positioning the project to move into the construction phase in June of 2026.



2025 Capital Expenditures

	FY 2023	FY 2024	FY 2025	TOTAL
Infrastructure Capital Expenditures*	\$ 19.8 M	\$ 29.1 M	\$ 25.4 M	\$ 74.3 M
Line Extension Contributed Capital	(\$ 4.4 M)	(\$ 6.7 M)	(\$ 6.0 M)	(\$ 17.1 M)
Net Infrastructure Capital Expenditures*	\$ 15.4 M	\$ 22.4 M	\$ 19.4 M	\$ 57.2 M

Aged Underground Cable Replacement



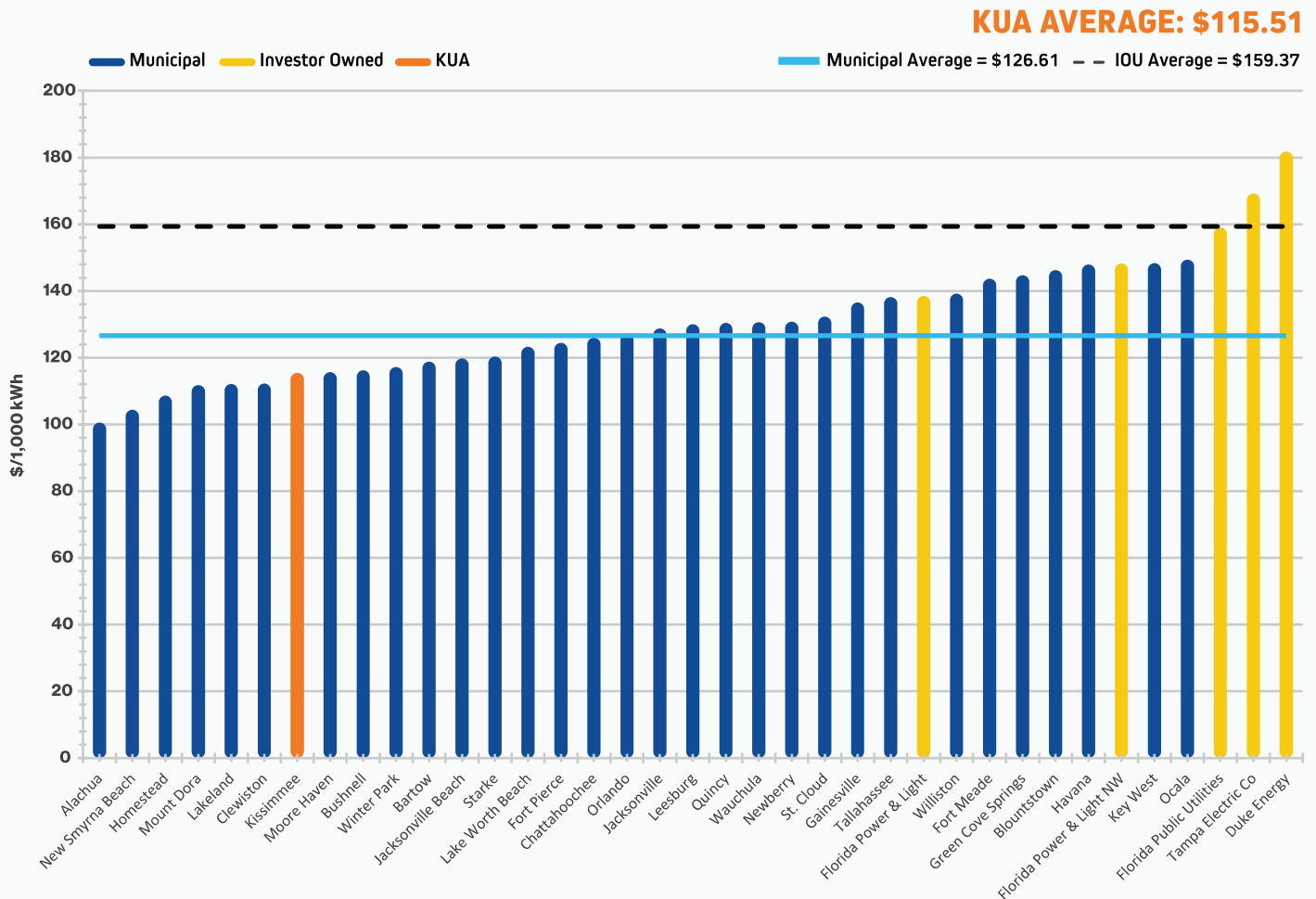
*Excludes expenses in Cane Island paid directly by FMPA

Affordability

KUA demonstrated improved rate competitiveness in 2025, as reflected in the Florida Municipal Electric Association’s rate comparison results. Based on average monthly consumption of 1,000 kWh, KUA achieved a ranking of 7th lowest among 37 Florida utilities for the year, improving from 12th lowest in 2024. The continued investment of rate stabilization funds contributed to maintaining rates below the state municipal average.

1,000 kWh Residential Bill Comparison January 2025 – December 2025

Municipals & Investor-Owned Utilities, Lowest to Highest



Financial Strength

Our Finance team completed the preliminary Cost of Service Study, helping ensure KUA continues to price services in a fair, equitable, and competitive manner. Through the diligence of our Accounting division, nearly \$469,000 in reimbursements were secured, and an additional \$297,000 in costs related to Hurricane Milton were successfully obligated to the state—all within one year of the storm.

This accelerated recovery timeline, which typically spans several years, was made possible by the exceptional documentation and coordination of our field and restoration teams. In addition, our Procurement team worked collaboratively across departments to realize more than \$1.5 million in cost savings, further strengthening KUA’s financial position and long-term stability.

Operating Highlights

	FY 2024	FY 2025
Total Operating Revenues	\$257.0 M	\$230.5 M
Total Operating Expenses	\$227.6 M	\$218.2 M
Change		
Total Operating Revenues	Total Operating Expenses	
(10.3%)	(4.1%)	



2025 Financial Highlights

Net Position

Increased by \$21.7 million or 5.7%

Capital Assets

Net utility plant increased by \$17.0 million or 6.1%

Operating Revenues

Decreased to \$230.5 million or (10.3%)

Operating Expenses

Decreased to \$218.2 million or (4.1%)

Customer Experience

KUA's Surge Protection Program grew from 177 participants in 2024 to 255 in 2025, generating approximately \$29.5K in annual revenue, and maintaining strong reliability with only three claims since the program launched.



Energy Conservation

Energy Audits	1,174	Amount Disbursed \$50,409.73
Rebates	282	

The Good Neighbor Fund

Round-Up Customers	8,980	Amount Disbursed \$90,604.47
Customers Assisted	308	

Text to Pay

KUA's new Text to Pay option brings convenient, digital payment access for customers. During the reporting period, 446 Text to Pay transactions were completed, totaling \$106,024. The majority of activity occurred through credit card payments. This growing service supports faster payments, improved customer convenience, and enhanced revenue collection efficiency.





e-FlexPay

In September FY2025, KUA officially launched the e-FlexPay Pre-Pay Program to external customers following extensive testing and staff training. More than 80 customers are enrolled, with participation growing by an average of four new accounts per week. Early results demonstrate meaningful impact, including a customer who restored service after a 13-year, \$460 balance, reduced the balance to \$25, and is now on track for full repayment—highlighting e-FlexPay’s effectiveness in supporting customer dignity while improving revenue recovery.



Customer Satisfaction Survey

Residential customer satisfaction exceeded expectations with a 92.5% achievement, surpassing the Florida Public Power Data Source (PPDS) benchmark of 74.9% and the 87% strategic goal. Commercial customers also delivered strong results, achieving 87.9%—well above the Florida PPDS of 79.6% and the 84% goal.

These outstanding results reflect a continued commitment to exceptional customer service. As a result of these survey outcomes, KUA was awarded the Silver Public Power Customer Satisfaction Award.



Community Involvement

Day of Giving

As part of the utility's annual Day of Giving, KUA team members partnered with Osceola County's Environment and Public Lands division to plant 200 cypress trees at Brownie Wise Park to help enhance the tree canopy.

Additionally staff members volunteered their time at Give Kids The World Village, where they decorated invitations and ornaments for the families staying at this magical resort. It was truly our honor to help this amazing non-profit make dreams come true for critically ill children around the world. Both Day of Giving activities demonstrated the true spirit of our mission of partnering with the community and the environment.



In the Community

6 Community Blood Drives

5 City of Kissimmee Events

6 Movie in the Park

7 Scholarships

17 Expos, Fairs and Festivals

32 Big Grill Reservations

139 Community Sponsorships





In 2025, KUA launched an exciting new outreach initiative, Coffee & Conservation. Through this program, KUA's Green Team engaged with organizations throughout the service territory, providing educational workshops focused on practical and actionable ways customers can conserve energy and manage their utility costs.



These visits offered participants simple, everyday strategies to improve energy efficiency, reduce overall consumption, and make more informed decisions about their energy use. The Coffee & Conservation initiative reflects KUA's continued commitment to community engagement, sustainability, and empowering customers with the knowledge and tools needed to lower bills while supporting long-term environmental stewardship.



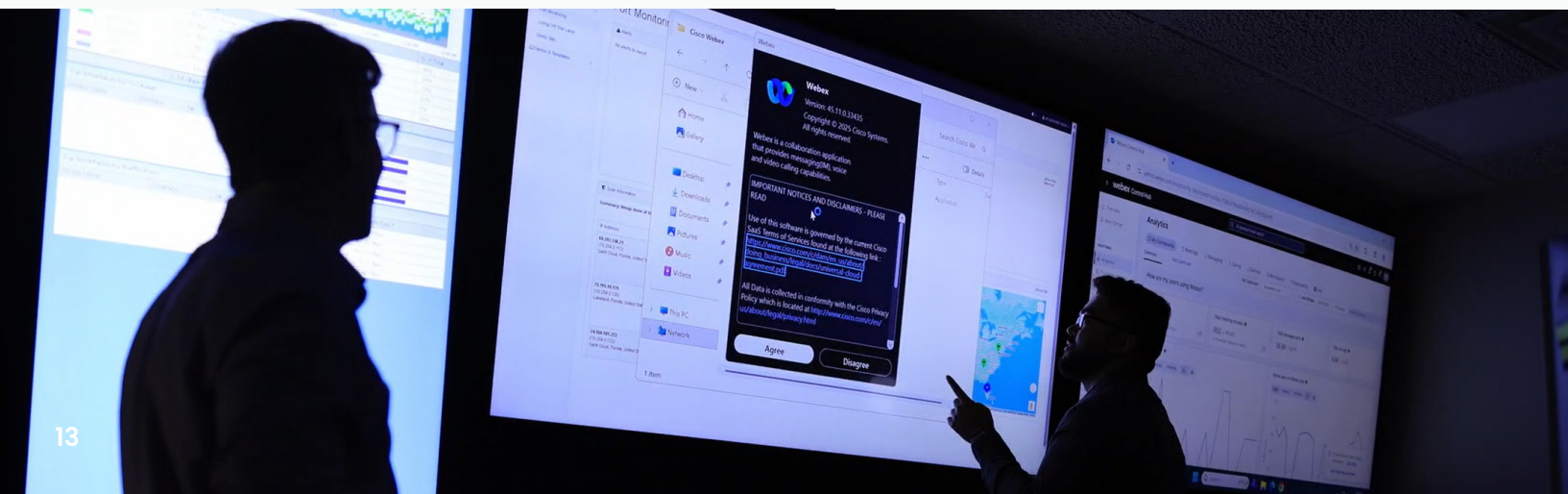
Downtown Lighting

KUA partnered with the City of Kissimmee to enhance the holiday lights throughout our historic downtown. Eighteen oak trees along Broadway now shine beautifully each evening — a new permanent installation that adds warmth, spirit, and celebration to our community during the holiday season and for years to come.

Information Technology

KUA's Information Technology team delivered significant improvements in reliability, security, and operational efficiency throughout the year. Major initiatives included the successful replacement of the utility's phone system following a year-long buildout, the implementation of a network monitoring system to enhance efficiency and reliability, and the achievement of 99.99% uptime for core business systems.

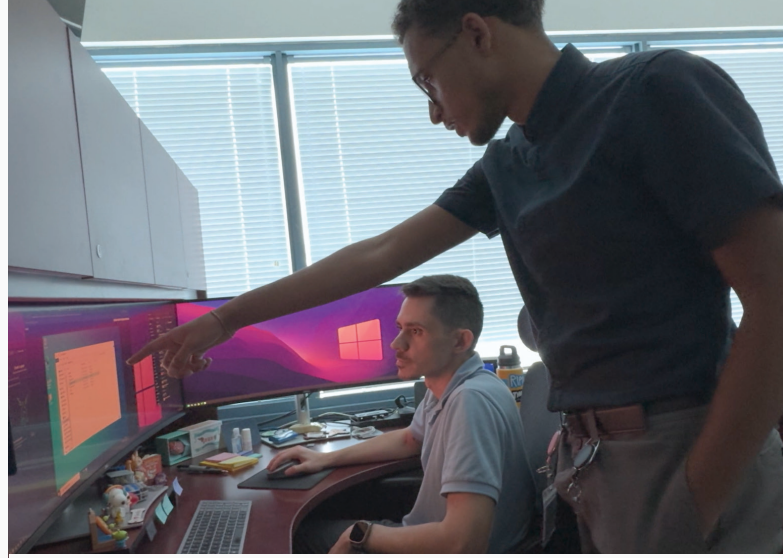
Cybersecurity remained a top priority, with 100% of employees participating in monthly training or testing, the addition of three certified penetration testers to strengthen red and blue team capabilities, and the completion of the annual disaster drill in April 2025 to ensure organizational preparedness.



Our Workforce

Wellness

With 63% of the utility's workforce participating in biometric screenings, KUA continued to demonstrate a strong commitment to employee health and well-being. This engagement contributed to statewide and national recognition, including being ranked the #2 Healthiest Employers in Florida, earning placement among the Top 100 Healthiest Employers in America, and receiving Cigna's Gold designation as a Healthy Workforce.



Internship Program

KUA launched a new internship program in partnership with CareerSource of Central Florida, creating a unique early-career pathway for local high school students. This initiative provides structured, hands-on exposure to the energy industry while students are still in high school, allowing them to explore real-world applications of classroom learning.

Full-time
Equivalent

292.5

Workplace
Incidence Rate

2.47

Employee
Turnover

4.7%

National Recognition

In June 2025, Kissimmee Utility Authority received public power's highest honor by being awarded the American Public Power Association's E.F. Scattergood System Achievement Award. The award honors APPA member utilities that have enhanced the prestige of public power utilities through sustained achievement and customer service. This is the second time KUA has received the E.F. Scattergood System Achievement Award; the first time was in 2016.



AMERICAN
**PUBLIC
POWER**
ASSOCIATION
Powering Strong Communities

**E.F. Scattergood System
Achievement Award**

Kissimmee Utility Authority

#PublicPower





KUA marked its 40th anniversary with a series of celebratory events that highlighted four decades of service to the community. The festivities began with a lakefront fireworks display during the season’s first Movie in the Park, creating a memorable experience for customers and commemorating 40 years of public power in Osceola County. In 2025, KUA also reached a significant growth milestone—100,000 customers—an achievement made possible by the dedication and commitment of our workforce. As Osceola County continues to expand, KUA remains proud to grow alongside the community we serve.

The anniversary was also celebrated on October 1, 2025, the official date of KUA’s founding, with a customer appreciation event in the KUA lobby. Customers were welcomed by Sparky, music, and anniversary treats, with festive balloon displays providing opportunities for both customers and employees to commemorate the occasion with photos.



Board of Directors



MANUEL ORTEGA
Chairman



RAE HEMPHILL
Vice-Chairman



REGINALD HARDEE
Secretary



MELISSA THACKER
Assistant Secretary



MICHELE LEBRON
Director



JACKIE ESPINOSA
Ex Officio Director



Moments & Milestones





Kissimmee Utility Authority
1701 W. Carroll Street, Kissimmee, FL 34741
(407) 933-7777 • www.kua.com